

**STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL REVIEW COMMITTEE NOTES
NOVEMBER 2006**

Date: December 6, 2006

To: All Civil Service/Exempt Departments

From: State Controller's Office
Pam Keegan, Manager
Cynthia Rounds, Manager
Personnel/Payroll Operations
(916) 323-2539/324-6290

Re: PERSONNEL/PAYROLL REVIEW COMMITTEE NOTES

This recaps the November 9, 2006 Personnel/Payroll Review Committee (PPRC) meeting and provides information for the January 11, 2007 meeting.

We would like to thank those department representatives that participated in the November meeting for their time and effort. There were 30 representatives from 21 departments that participated in this meeting.

Personnel/Payroll Review Committee
September 14, 2006 Meeting Notes

Pam Keegan called the meeting to order at 1:30.

Departments Represented:

Air Resources Board, Alcohol and Drug Programs, Alcohol Beverage Control, Board of Equalization, California Housing Finance Agency, Commission on Teacher Credentialing, Conservation, Consumer Affairs, Corrections, Developmental Services, Food and Ag, Forestry and Fire Protection, Franchise Tax Board, General Services, Motor Vehicles, Rehabilitation, Secretary of State, State Controller's Office, State Teachers Retirement System, State Treasurer's Office, Water Resources.

Old Business:

None

New Business:

Agenda Items
Distribute Handout Materials
Approve Prior Meeting Notes
Guest Speakers
SCO Update
Department Issues/Concerns
Confirm Next Meeting Agenda, Time and Place

**STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL REVIEW COMMITTEE NOTES
NOVEMBER 2006**

Discussion:

Approved September 2006 meeting notes.

Guest Speaker: Vicki Korach, Manager SCO Program Management and Analysis Bureau (PMAB), (916) 324-7287. Vicki introduced Lynn Morse who is a manager within the PMAB beginning today. Lynn is a long time SCO employee and her most recent assignment was with the 21st Century Project.

Child Support Update: About 90% of the surveys for the Non-IVD support cases are in. We do need to have 100% returned so we will be pursuing those that have not been returned. The new garnishment form 638 is available on the SCO website at <http://www.sco.ca.gov/ppsd/empinfo/links.shtml>

SDI Update: The PML, 06-042, was released this week. We collected information for a year before this letter was written. One outstanding issue is direct pay of benefits for employees who do not have benefit coverage. The payroll letter will be released early next week

Question: How should the 40 hours of leave usage used as supplementation while on SDI be posted?

Answer: The PML says to submit form STD. 674D by master payroll cutoff. This will also be covered in the payroll letter coming out next week.

Jeanna Bowe, analyst in the Program Management and Analysis Bureau (PMAB), provided the following updates on GEN and bonus payment status.

Bonus payments for BU7 will be issued November 15, 2006 for the majority of employees and then on a flow basis thereafter for specific groups that require special handling. Payroll Letter 06-025 can be referenced for the specifics at <http://www.sco.ca.gov/ppsd/scoltrs/payr/2006/p06-025.pdf>. See DPA Pay Letter 06-35B regarding eligibility for employees on LOA prior to July 1, 2006.

Bonus payments for CDCR teachers will be issued in early December.

The last of the special circumstances for SEIU bonus payments are being worked on now.

The mass update GEN for R08 will be processed the night of November 16, 2006.

The holiday pay adjustments will be worked in December for all bargaining units that received a retroactive 7/01/06 general salary increase. PPST analytical staff will try to automate the majority of the holiday pay adjustments.

Question: FTB had some permanent intermittent employees who were changed to full time effective June 23, 2006 and do not yet have their bonus payment, however new hires to state service effective June 23, 2006 do have their bonus payment. All these PARS were processed by July 3, 2006. What is the status of this situation?

Answer: We would need to research specific employees to determine why they have not yet been paid or if they will be eligible.

**STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL REVIEW COMMITTEE NOTES
NOVEMBER 2006**

SCO Update:

Pam Keegan addressed the following:

You probably noticed that your mailing address was printed on the earnings statements on this month's paycheck. Please verify the address and ask that your employees do the same. Every year we have about 7,000 W-2s returned by the post office as undeliverable. Please remember that these returns are all coming to you and not to the SCO. You should also remind retiring employees to notify you if they have an address change. This is really important if they defer any of their lump sum to the next tax year, as that W-2 will not be mailed until January after the year of deferral. For example, if they defer pay to 2007, their W-2 will not be sent until January 2008.

Calendar Year-End Processing: Payroll Letter 06-020 covers those all-important dates that must be met for the calendar year end processing to be accurate. Please make sure that you are meeting these dates.

California Personnel Office Directory (CPOD): We have lost the staff member who was processing the CPOD updates for us. We are interviewing to fill this position but the current vacancy will impact how quickly we can turn these updates around. Please be patient. This is a good time to remind you of how important this directory is to all of us. Specifically, it is the only place where you can find the names, phone numbers, and in some cases, the email addresses for all state Human Resources staff. Please make the necessary updates when you have staff changes.

Personnel/Payroll Specialist Recruitment and Retention Pay: The payroll letter about the P/PS R&R pay will be released in early January. The listing for those original specialists who all become eligible at the end of the year will be available on View Direct in January. Please remember that you must not pay this premium pay until after the last cycle date in January. Separating employees and those employees whose 12 months of eligibility end at a different time are the only exceptions to the rule.

Student Loan Garnishments: Payroll Letter 06-012 covered the changes in the percentage that should be taken to satisfy these garnishments. Some can be taken at 15% and others at 10%. Our system would need to be modified to handle this. How much of a problem is it for you to handle these student loans with the current system? If you feel that it is an onerous burden, please contact Pam Keegan at (916) 323-2539 or pkeegan@sco.ca.gov.

Paycheck calculator on SCO website: We may have the opportunity to modify the existing calculator to make it more user friendly. If there are things about the calculator that you feel could be changed to make it easier for you and your employees to use, please contact either Ann Mitchell at (916) 322-7978 or Nancy Ciancio at (916) 322-7979.

Cynthia Rounds provided the following:

SDI Rate Update: The 2007 rate for SDI withholding is .6%. The taxable wage limit is \$83,389 for each employee per calendar year. The maximum to withhold for each employee is \$500.33. A Payroll Letter addressing this information is forthcoming.

**STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL REVIEW COMMITTEE NOTES
NOVEMBER 2006**

FAX Documents for Disability: We only accept fax documents for current disability situations, or those situations where you have prior approval from the staff to submit via fax. Any documents that we receive that do not meet these conditions will not be given priority and will be processed in date-received order.

Problem with PAR Completion: You must sign and enter the phone number where you can be reached on the PARs you send to us. If we have a problem that can be corrected via a phone call, but no number is provided, the PAR will be returned.

Questions/Answers:

Question: What is the address withhold feature on the Employee Action Request form used for?

Answer: This is used to indicate whether SCO will share the address with labor unions etc. A "YES" means we do not share, a "NO" means we do share.

Question: Will we need to change the PAR to enter a new code on the existing S50 transaction now that employees have 26 weeks of benefit eligibility?

Answer: No, the code for FMLA is used until the employee has exhausted FMLA eligibility and at that time a new PAR would be keyed.

Question: We cannot see the 3, 4 and 5 month vacant position reports on View Direct. Is there a problem with the View Direct system or with our agency?

Answer: There is not a problem with the View Direct system; you should be able to see 3 and 4 months vacant now. You will not be able to see the 5 months vacant until December 1, 2006. If you are having difficulty seeing your position reports on View Direct please contact Jeanna Bowe at (916) 322-3899.

Next Meeting:

The next meeting is Thursday January 11, 2007 from 1:30 to 3:00 at:

State Controller's Office
300 Capitol Mall, 6th Floor, Room 635
Sacramento, CA 95814

The PPRC encourages attendance by department representatives interested in improving the efficiency of personnel/payroll administration. However, if you are unable to attend these meetings and you have an issue or question you would like the committee to address; please contact Pam Keegan or Cynthia Rounds with pertinent information.

Listed below are the PPRC meeting dates for the 2007 calendar year. All meetings are from 1:30 to 3:00 at the above location.

**STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL REVIEW COMMITTEE NOTES
NOVEMBER 2006**

January	11,	2007
March	8,	2007
May	10,	2007
July	12,	2007
September	13,	2007
November	8,	2007

Should you have any questions regarding the PPRC meeting or have additional information to provide, please contact either Pam Keegan at (916) 323-2539 or Cindy Rounds at (916) 324-6290. They can also be reached via email at pkeegan@sco.ca.gov and crounds@sco.ca.gov, respectively.